

Baker & Hostetler LLP

45 Rockefeller Plaza

New York, NY 10111

Telephone: (212) 589-4200

Facsimile: (212) 589-4201

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

MARILYN SPEAKMAN,

Defendant.

Adv. Pro. No. 10-04689 (SMB)

**STIPULATION OF PARTIAL SETTLEMENT AND STAY OF FURTHER
PROCEEDINGS UNTIL RESOLUTION OF
BANKRUPTCY CODE SECTION 546(e) APPEAL**

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), and the substantively consolidated estate of Bernard L. Madoff individually (“Madoff”), by and through his counsel, Baker & Hostetler LLP, and defendant Marilyn Speakman (the “Defendant”, and with Trustee, the “Parties”), by and through her counsel, Lax & Neville LLP, hereby stipulate and agree to the following:

1. On December 1, 2010, Trustee commenced this adversary proceeding against the Defendant seeking the avoidance and recovery of: (a) transfers made by BLMIS within two years of December 11, 2008 (the “Two Year Transfers”) and (b) transfers made by BLMIS prior to December 11, 2006 (the “Non-Two Year Transfers”).

2. By Order dated April 30, 2012, (the “Dismissal Order”), the District Court dismissed Trustee’s claims to avoid and recover the Non-Two Year Transfers made to certain defendants based on an interpretation of Bankruptcy Code Section 546(e).

3. The Trustee appealed the Dismissal Order to the United States Court of Appeals for the Second Circuit (the “546(e) Appeal”).

4. On December 8, 2014, the Second Circuit affirmed the Dismissal Order. The time for which the Trustee could seek review by the United States Supreme Court has not expired.

5. On January 29, 2015, the Parties entered into a settlement agreement (the “Settlement Agreement”) pursuant to the Settlement Procedures Order, entered by this Court on November 12, 2010 [Dkt. No. 3181].

6. Under the Settlement Agreement, the Parties have settled Trustee’s claims for the Two Year Transfers but have agreed to stay this proceeding until a final, non-appealable order is issued in the 546(e) Appeal affirming or reversing the Dismissal Order.

7. If a final, non-appealable order in the 546(e) Appeal reverses the Dismissal Order, Trustee will, as soon as practicable, dismiss Trustee's Two Year Transfer claims against the Defendant, and the Defendant shall respond to Trustee's Non-Two Year Transfer claims within thirty (30) days of the entry of such final, non-appealable order. Defendant agrees she will not assert any laches, statute of limitations, statute of repose, or time limitations defense based on the time period this proceeding is stayed against her by this Stipulation. The Parties stipulate and agree that: (i) Trustee preserves all rights, claims, causes of action, if any, against the Defendant for the Non-Two Year Transfers, and (ii) the Defendant preserves all defenses, if any, in response to Trustee's Non-Two Year Transfers.

8. If a final, non-appealable order in the 546(e) Appeal affirms the Dismissal Order, Trustee will, as soon as practicable, dismiss the adversary proceeding without prejudice against the Defendant without costs to either Trustee or the Defendant.

9. The provisions of this stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

[The signature page follows]

Dated: February 27, 2015

BAKER & HOSTETLER LLP

By: /s/ Nicholas J. Cremona
45 Rockefeller Plaza
New York, New York 10111
Telephone: 212.589.4200
Facsimile: 212.589.4201
David J. Sheehan
Email: dsheehan@bakerlaw.com
Nicholas J. Cremona
Email: ncremona@bakerlaw.com

*Attorneys for Plaintiff Irving H. Picard, Trustee
for the Liquidation of Bernard L. Madoff
Investment Securities LLC and the Estate of
Bernard L. Madoff*

LAX & NEVILLE LLP

By: /s/ Gabrielle J. Pretto
1450 Broadway, 35th Floor
New York, NY 10018
Telephone: 212.696.1999
Facsimile: 212.566.4531
Barry R. Lax
Email: blax@laxneville.com
Brian J. Neville
Email: bneville@laxneville.com
Gabrielle J. Pretto
Email: gpretto@laxneville.com

Attorneys for Defendant

Dated: February 27th, 2015
New York, New York

/s/ STUART M. BERNSTEIN
United States Bankruptcy Court